

House Engrossed

State of Arizona
House of Representatives
Forty-fifth Legislature
First Regular Session
2001

CHAPTER 233
HOUSE BILL 2634

AN ACT

REPEALING SECTIONS 15-747 AND 15-748, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 7, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-773; AMENDING SECTIONS 15-901 AND 15-943, ARIZONA REVISED STATUTES; RELATING TO STATE EDUCATION BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Repeal

3 Sections 15-747 and 15-748, Arizona Revised Statutes, are repealed.

4 Sec. 2. Title 15, chapter 7, article 4, Arizona Revised Statutes, is
5 amended by adding section 15-773, to read:

6 15-773. Extraordinary special education needs fund;
7 application; criteria

8 A. THE EXTRAORDINARY SPECIAL EDUCATION NEEDS FUND IS ESTABLISHED
9 CONSISTING OF LEGISLATIVE APPROPRIATIONS, GIFTS, GRANTS AND
10 DONATIONS. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION AND
11 ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF
12 APPROPRIATIONS. THE STATE BOARD OF EDUCATION SHALL ADMINISTER THE FUND.

13 B. A SCHOOL DISTRICT MAY APPLY TO THE STATE BOARD OF EDUCATION FOR AN
14 EXTRAORDINARY SPECIAL EDUCATION NEEDS GRANT FROM THE FUND. THE STATE BOARD
15 OF EDUCATION SHALL PRESCRIBE THE FORMAT OF THE APPLICATIONS. THE
16 APPLICATIONS SHALL INCLUDE THE FOLLOWING:

17 1. DEMONSTRATION OF EXTRAORDINARY NEEDS, INCLUDING A DESCRIPTION AND
18 DOCUMENTATION OF PUPIL SERVICES REQUIRED AND EVIDENCE THAT THE DISTRICT IS
19 NOT ABLE TO ABSORB THE COSTS OF THESE SERVICES.

20 2. EVIDENCE THAT MONIES FROM THE FUND WILL NOT SUPPLANT FEDERAL, LOCAL
21 OR OTHER STATE EFFORTS.

22 3. EVIDENCE THAT BEFORE MAKING AN APPLICATION FOR MONIES FROM THE FUND
23 THE SCHOOL DISTRICT HAS MADE SUFFICIENT EFFORTS TO SEEK BUT HAS NOT RECEIVED
24 FUNDING TO COVER THE EXTRAORDINARY COSTS APPLIED FOR PURSUANT TO PARAGRAPH
25 1 OF THIS SUBSECTION FROM ALL OTHER SOURCES, INCLUDING FEDERAL AND OTHER
26 STATE SOURCES OF FUNDING.

27 C. EXTRAORDINARY SPECIAL EDUCATION NEEDS GRANTS SHALL BE USED IN THE
28 CURRENT YEAR. ALL UNSPENT GRANT MONIES SHALL BE RETURNED TO THE DEPARTMENT
29 OF EDUCATION AT THE END OF THE FISCAL YEAR FOR DEPOSIT IN THE EXTRAORDINARY
30 SPECIAL EDUCATION NEEDS FUND.

31 Sec. 3. Section 15-901, Arizona Revised Statutes, is amended to read:

32 15-901. Definitions

33 A. In this title, unless the context otherwise requires:

34 1. "Average daily attendance" or "ADA" means actual average daily
35 attendance through the first one hundred days or two hundred days in session,
36 as applicable.

37 2. "Average daily membership" means the total enrollment of fractional
38 students and full-time students, minus withdrawals, of each school day
39 through the first one hundred days or two hundred days in session, as
40 applicable, for the current year. Withdrawals include students formally
41 withdrawn from schools and students absent for ten consecutive school days,
42 except for excused absences as identified by the department of
43 education. For computation purposes, the effective date of withdrawal shall
44 be retroactive to the last day of actual attendance of the student.

45 (a) "Fractional student" means:

1 (i) For common schools, until fiscal year 2001-2002, a preschool child
2 who is enrolled in a program for preschool children with disabilities of at
3 least three hundred sixty minutes each week or a kindergarten student at
4 least five years of age prior to January 1 of the school year and enrolled
5 in a school kindergarten program that meets at least three hundred forty-six
6 instructional hours during the minimum number of days required in a school
7 year as provided in section 15-341. In fiscal year 2001-2002, the
8 kindergarten program shall meet at least three hundred forty-eight hours. In
9 fiscal year 2002-2003, the kindergarten program shall meet at least three
10 hundred fifty hours. In fiscal year 2003-2004, the kindergarten program
11 shall meet at least three hundred fifty-two hours. In fiscal year 2004-2005,
12 the kindergarten program shall meet at least three hundred fifty-four hours.
13 In fiscal year 2005-2006 and each fiscal year thereafter, the kindergarten
14 program shall meet at least three hundred fifty-six hours. Lunch periods and
15 recess periods may not be included as part of the instructional hours unless
16 the child's individualized education program requires instruction during
17 those periods and the specific reasons for such instruction are fully
18 documented. In computing the average daily membership, preschool children
19 with disabilities and kindergarten students shall be counted as one-half of
20 a full-time student. For common schools, a part-time student is a student
21 enrolled for less than the total time for a full-time student as defined in
22 this section. A part-time common school student shall be counted as
23 one-fourth, one-half or three-fourths of a full-time student if the student
24 is enrolled in an instructional program that is at least one-fourth, one-half
25 or three-fourths of the time a full-time student is enrolled as defined in
26 subdivision (b) of this paragraph.

27 (ii) For high schools, a part-time student who is enrolled in less
28 than four subjects that count toward graduation as defined by the state board
29 of education in a recognized high school and who is taught in less than
30 twenty instructional hours per week prorated for any week with fewer than
31 five school days. A part-time high school student shall be counted as
32 one-fourth, one-half or three-fourths of a full-time student if the student
33 is enrolled in an instructional program that is at least one-fourth, one-half
34 or three-fourths of a full-time instructional program as defined in
35 subdivision (c) of this paragraph.

36 (b) "Full-time student" means:

37 (i) For common schools, a student who is at least six years of age
38 prior to January 1 of a school year, who has not graduated from the highest
39 grade taught in the school district and who is regularly enrolled in a course
40 of study required by the state board of education. Until fiscal year
41 2001-2002, first, second and third grade students, ungraded students at least
42 six, but under nine, years of age by September 1 or ungraded group B children
43 with disabilities who are at least five, but under six, years of age by
44 September 1 must be enrolled in an instructional program that meets for a
45 total of at least six hundred ninety-two hours during the minimum number of

1 days required in a school year as provided in section 15-341. In fiscal year
2 2001-2002, the program shall meet at least six hundred ninety-six hours. In
3 fiscal year 2002-2003, the program shall meet at least seven hundred hours.
4 In fiscal year 2003-2004, the program shall meet at least seven hundred four
5 hours. In fiscal year 2004-2005, the program shall meet at least seven
6 hundred eight hours. In fiscal year 2005-2006 and in each fiscal year
7 thereafter, the program shall meet at least seven hundred twelve
8 hours. Until fiscal year 2001-2002, fourth, fifth and sixth grade students
9 or ungraded students at least nine, but under twelve, years of age by
10 September 1 must be enrolled in an instructional program that meets for a
11 total of at least eight hundred sixty-five hours during the minimum number
12 of school days required in a school year as provided in section 15-341. In
13 fiscal year 2001-2002, the program shall meet at least eight hundred seventy
14 hours. In fiscal year 2002-2003, the program shall meet at least eight
15 hundred seventy-five hours. In fiscal year 2003-2004, the program shall meet
16 at least eight hundred eighty hours. In fiscal year 2004-2005, the program
17 shall meet at least eight hundred eighty-five hours. In fiscal year
18 2005-2006 and each fiscal year thereafter, the program shall meet at least
19 eight hundred ninety hours. Until fiscal year 2001-2002, seventh and eighth
20 grade students or ungraded students at least twelve, but under fourteen,
21 years of age by September 1 must be enrolled in an instructional program that
22 meets for a total of at least one thousand thirty-eight hours during the
23 minimum number of days required in a school year as provided in section
24 15-341. In fiscal year 2001-2002, the program shall meet at least one
25 thousand forty-four hours. In fiscal year 2002-2003, the program shall meet
26 at least one thousand fifty hours. In fiscal year 2003-2004, the program
27 shall meet at least one thousand fifty-six hours. In fiscal year 2004-2005,
28 the program shall meet at least one thousand sixty-two hours. In fiscal year
29 2005-2006 and each fiscal year thereafter, the program shall meet at least
30 one thousand sixty-eight hours. Lunch periods and recess periods may not be
31 included as part of the instructional hours unless the student is a child
32 with a disability and the child's individualized education program requires
33 instruction during those periods and the specific reasons for such
34 instruction are fully documented.

35 (ii) For high schools, a student not graduated from the highest grade
36 taught in the school district, or an ungraded student at least fourteen years
37 of age by September 1, and enrolled in at least a full-time instructional
38 program of subjects that count toward graduation as defined by the state
39 board of education in a recognized high school. A full-time student shall
40 not be counted more than once for computation of average daily membership.

41 (iii) For homebound or hospitalized, a student receiving at least four
42 hours of instruction per week.

43 (c) "Full-time instructional program" means at least four subjects,
44 each of which, if taught each school day for the minimum number of days
45 required in a school year, through fiscal year 2000-2001, would meet a

1 minimum of one hundred twenty hours a year, or the equivalent, or one or more
2 subjects taught in amounts of time totalling at least twenty hours per week
3 prorated for any week with fewer than five school days. For fiscal years
4 after 2000-2001:

5 (i) In fiscal years 2001-2002 and 2002-2003, each subject shall meet
6 at least one hundred twenty-two hours. In fiscal year 2003-2004 and each
7 fiscal year thereafter, each subject shall meet at least one hundred
8 twenty-three hours.

9 (ii) For grades nine, ten and eleven, the total program shall meet at
10 least eight hundred eighty hours in fiscal year 2001-2002. In fiscal year
11 2002-2003, the total program shall meet at least eight hundred eighty-five
12 hours. In fiscal year 2003-2004, the total program shall meet at least eight
13 hundred ninety hours. In fiscal year 2004-2005, the total program shall meet
14 at least eight hundred ninety-five hours. In fiscal year 2005-2006 and each
15 fiscal year thereafter, the total program shall meet at least nine hundred
16 hours.

17 3. "Budget year" means the fiscal year for which the school district
18 is budgeting and which immediately follows the current year.

19 4. "Common school district" means a political subdivision of this
20 state offering instruction to students in programs for preschool children
21 with disabilities and kindergarten programs and grades one through eight.

22 5. "Current year" means the fiscal year in which a school district is
23 operating.

24 6. "Daily attendance" means:

25 (a) For common schools, days in which a pupil:

26 (i) Of a kindergarten program or ungraded, but not group B children
27 with disabilities, and at least five, but under six, years of age by
28 September 1 attends at least three-quarters of the instructional time
29 scheduled for the day. If the total instruction time scheduled for the year
30 is at least three hundred forty-six hours but is less than six hundred
31 ninety-two hours such attendance shall be counted as one-half day of
32 attendance. If the instructional time scheduled for the year is at least six
33 hundred ninety-two hours, "daily attendance" means days in which a pupil
34 attends at least one-half of the instructional time scheduled for the day.
35 Such attendance shall be counted as one-half day of attendance.

36 (ii) Of the first, second or third grades, ungraded and at least six,
37 but under nine, years of age by September 1 or ungraded group B children with
38 disabilities and at least five, but under six, years of age by September 1
39 attends more than three-quarters of the instructional time scheduled for the
40 day.

41 (iii) Of the fourth, fifth or sixth grades or ungraded and at least
42 nine, but under twelve, years of age by September 1 attends more than
43 three-quarters of the instructional time scheduled for the day, except as
44 provided in section 15-797.

1 (iv) Of the seventh or eighth grades or ungraded and at least twelve,
2 but under fourteen, years of age by September 1 attends more than
3 three-quarters of the instructional time scheduled for the day, except as
4 provided in section 15-797.

5 (b) For common schools, the attendance of a pupil at three-quarters
6 or less of the instructional time scheduled for the day shall be counted as
7 follows, except as provided in section 15-797 and except that attendance for
8 a fractional student shall not exceed the pupil's fractional membership:

9 (i) If attendance for all pupils in the school is based on quarter
10 days, the attendance of a pupil shall be counted as one-fourth of a day's
11 attendance for each one-fourth of full-time instructional time attended.

12 (ii) If attendance for all pupils in the school is based on half days,
13 the attendance of at least three-quarters of the instructional time scheduled
14 for the day shall be counted as a full day's attendance and attendance at a
15 minimum of one-half but less than three-quarters of the instructional time
16 scheduled for the day equals one-half day of attendance.

17 (c) For common schools, the attendance of a preschool child with
18 disabilities shall be counted as one-fourth day's attendance for each
19 thirty-six minutes of attendance not including lunch periods and recess
20 periods, except as provided in paragraph 2, subdivision (a), item (i) of this
21 subsection for children with disabilities up to a maximum of three hundred
22 sixty minutes each week.

23 (d) For high schools or ungraded schools in which the pupil is at
24 least fourteen years of age by September 1, the attendance of a pupil shall
25 not be counted as a full day unless the pupil is actually and physically in
26 attendance and enrolled in and carrying four subjects, each of which, if
27 taught each school day for the minimum number of days required in a school
28 year, would meet a minimum of one hundred twenty hours a year, or the
29 equivalent, that count toward graduation in a recognized high school except
30 as provided in section 15-797 and subdivision (e) of this paragraph.
31 Attendance of a pupil carrying less than the load prescribed shall be
32 prorated.

33 (e) For high schools or ungraded schools in which the pupil is at
34 least fourteen years of age by September 1, the attendance of a pupil may be
35 counted as one-fourth of a day's attendance for each sixty minutes of
36 instructional time in a subject that counts toward graduation, except that
37 attendance for a pupil shall not exceed the pupil's full or fractional
38 membership.

39 (f) For homebound or hospitalized, a full day of attendance may be
40 counted for each day during a week in which the student receives at least
41 four hours of instruction.

42 (g) For school districts which maintain school for an approved
43 year-round school year operation, attendance shall be based on a computation,
44 as prescribed by the superintendent of public instruction, of the one hundred
45 eighty days' equivalency or two hundred days' equivalency, as applicable, of

1 instructional time as approved by the superintendent of public instruction
2 during which each pupil is enrolled.

3 7. "Daily route mileage" means the sum of:

4 (a) The total number of miles driven daily by all buses of a school
5 district while transporting eligible students from their residence to the
6 school of attendance and from the school of attendance to their residence on
7 scheduled routes approved by the superintendent of public instruction.

8 (b) The total number of miles driven daily on routes approved by the
9 superintendent of public instruction for which a private party, a political
10 subdivision or a common or a contract carrier is reimbursed for bringing an
11 eligible student from the place of his residence to a school transportation
12 pickup point or to the school of attendance and from the school
13 transportation scheduled return point or from the school of attendance to his
14 residence.

15 Daily route mileage includes the total number of miles necessary to drive to
16 transport eligible students from and to their residence as provided in this
17 paragraph.

18 8. "District support level" means the base support level plus the
19 transportation support level.

20 9. "Eligible students" means:

21 (a) Students who are transported by or for a school district and who
22 qualify as full-time students or fractional students, except students for
23 whom transportation is paid by another school district or a county school
24 superintendent, and:

25 (i) For common school students, whose place of actual residence within
26 the school district is more than one mile from the school facility of
27 attendance or students who are admitted pursuant to section 15-816.01 and who
28 meet the economic eligibility requirements established under the national
29 school lunch and child nutrition acts (42 United States Code sections 1751
30 through 1785) for free or reduced price lunches and whose actual place of
31 residence outside the school district boundaries is more than one mile from
32 the school facility of attendance.

33 (ii) For high school students, whose place of actual residence within
34 the school district is more than one and one-half miles from the school
35 facility of attendance or students who are admitted pursuant to section
36 15-816.01 and who meet the economic eligibility requirements established
37 under the national school lunch and child nutrition acts (42 United States
38 Code sections 1751 through 1785) for free or reduced price lunches and whose
39 actual place of residence outside the school district boundaries is more than
40 one and one-half miles from the school facility of attendance.

41 (b) Kindergarten students, for purposes of computing the number of
42 eligible students under subdivision (a), item (i) of this paragraph, shall
43 be counted as full-time students, notwithstanding any other provision of law.

44 (c) Children with disabilities, as defined by section 15-761, who are
45 transported by or for the school district or who are admitted pursuant to

chapter 8, article 1.1 of this title and who qualify as full-time students or fractional students regardless of location or residence within the school district or children with disabilities whose transportation is required by the pupil's individualized education program.

(d) Students whose residence is outside the school district and who are transported within the school district on the same basis as students who reside in the school district.

10. "Enrolled" or "enrollment" means when a pupil is currently registered in the school district.

11. "GDP price deflator" means the average of the four implicit price deflators for the gross domestic product reported by the United States department of commerce for the four quarters of the calendar year.

12. "High school district" means a political subdivision of this state offering instruction to students for grades nine through twelve or that portion of the budget of a common school district which is allocated to teaching high school subjects with permission of the state board of education.

13. "Revenue control limit" means the base revenue control limit plus the transportation revenue control limit.

14. "Student count" means average daily membership as prescribed in this subsection for the fiscal year prior to the current year, except that for the purpose of budget preparation student count means average daily membership as prescribed in this subsection for the current year.

15. "Submit electronically" means submitted in a format and in a manner prescribed by the department of education.

16. "Total bus mileage" means the total number of miles driven by all buses of a school district during the school year.

17. "Total students transported" means all eligible students transported from their place of residence to a school transportation pickup point or to the school of attendance and from the school of attendance or from the school transportation scheduled return point to their place of residence.

18. "Unified school district" means a political subdivision of the state offering instruction to students in programs for preschool children with disabilities and kindergarten programs and grades one through twelve.

B. In this title, unless the context otherwise requires:

1. "Base" means the revenue level per student count specified by the legislature.

2. "Base level" means:

(a) For fiscal year 1999-2000, two thousand five hundred fifty-nine dollars ninety-three cents.

(b) For fiscal year 2000-2001, two thousand five hundred eighty-five dollars sixty cents.

(c) For fiscal year 2001-2002, and each subsequent fiscal year, the base level for the prior year adjusted by any growth rate prescribed by law,

1 ~~subject to appropriation.~~ TWO THOUSAND SIX HUNDRED EIGHTY-SEVEN DOLLARS
2 THIRTY-TWO CENTS.

3 (d) FOR FISCAL YEAR 2002-2003, TWO THOUSAND SEVEN HUNDRED FIFTY-THREE
4 DOLLARS NINETY CENTS.

5 3. "Base revenue control limit" means the base revenue control limit
6 computed as provided in section 15-944.

7 4. "Base support level" means the base support level as provided in
8 section 15-943.

9 5. "Certified teacher" means a person who is certified as a teacher
10 pursuant to the rules adopted by the state board of education, who renders
11 direct and personal services to school children in the form of instruction
12 related to the school district's educational course of study and who is paid
13 from the maintenance and operation section of the budget.

14 6. "ED, MMR, SLD, SLI and OHI" means programs for children with
15 emotional disabilities, mild mental retardation, a specific learning
16 disability, a speech/language impairment and other health impairments.

17 7. "ED-P" means programs for children with emotional disabilities who
18 are enrolled in private special education programs as prescribed in section
19 15-765, subsection D, paragraph 1 or in an intensive school district program
20 as provided in section 15-765, subsection D, paragraph 2.

21 8. "Full-time equivalent certified teacher" or "FTE certified teacher"
22 means for a certified teacher the following:

23 (a) If employed full time as defined in section 15-501, 1.00.

24 (b) If employed less than full time, multiply 1.00 by the percentage
25 of a full school day, or its equivalent, or a full class load, or its
26 equivalent, for which the teacher is employed as determined by the governing
27 board.

28 9. "Group A" means educational programs for career exploration, a
29 specific learning disability, an emotional disability, mild mental
30 retardation, remedial education, a speech/language impairment, homebound,
31 bilingual, preschool moderate delay, preschool speech/language delay, other
32 health impairments and gifted pupils.

33 10. "Group B" means educational improvements for pupils in kindergarten
34 programs and grades one through three, educational programs for autism, a
35 hearing impairment, moderate mental retardation, multiple disabilities,
36 multiple disabilities with severe sensory impairment, orthopedic impairments,
37 preschool severe delay, severe mental retardation and emotional disabilities
38 for school age pupils enrolled in private special education programs or in
39 school district programs for children with severe disabilities or visual
40 impairment and limited English proficient pupils enrolled in a program to
41 promote English language proficiency pursuant to section 15-754.

42 11. "HI" means programs for pupils with hearing impairment.

12. "Homebound" or "hospitalized" means a pupil who is capable of profiting from academic instruction but is unable to attend school due to illness, disease, accident or other health conditions, who has been examined by a competent medical doctor and who is certified by that doctor as being unable to attend regular classes for a period of not less than three school months or a pupil who is capable of profiting from academic instruction but is unable to attend school regularly due to chronic or acute health problems, who has been examined by a competent medical doctor and who is certified by that doctor as being unable to attend regular classes for intermittent periods of time totaling three school months during a school year. The medical certification shall state the general medical condition, such as illness, disease or chronic health condition, that is the reason that the pupil is unable to attend school.

13. "K-3" means kindergarten programs and grades one through three.

14. "LEP" means limited English proficient pupils who are enrolled in a program to promote English language proficiency pursuant to section 15-754.

15. "MD-R, A-R and SMR-R" means resource programs for pupils with multiple disabilities, autism and severe mental retardation.

16. "MD-SC, A-SC and SMR-SC" means self-contained programs for pupils with multiple disabilities, autism and severe mental retardation.

17. "MDSSI" means a program for pupils with multiple disabilities with severe sensory impairment.

18. "MOMR" means programs for pupils with moderate mental retardation.

19. "OI-R" means a resource program for pupils with orthopedic impairments.

20. "OI-SC" means a self-contained program for pupils with orthopedic impairments.

21. "PSD" means preschool programs for children with disabilities as provided in section 15-771.

22. "P-SD" means programs for children who meet the definition of preschool severe delay as provided in section 15-771.

23. "Qualifying tax rate" means the qualifying tax rate specified in section 15-971 applied to the assessed valuation used for primary property taxes.

24. "Small isolated school district" means a school district which meets all of the following:

(a) Has a student count of fewer than six hundred in kindergarten programs and grades one through eight or grades nine through twelve.

(b) Contains no school which is fewer than thirty miles by the most reasonable route from another school, or, if road conditions and terrain make the driving slow or hazardous, fifteen miles from another school which teaches one or more of the same grades and is operated by another school district in this state.

(c) Is designated as a small isolated school district by the superintendent of public instruction.

25. "Small school district" means a school district which meets all of the following:

(a) Has a student count of fewer than six hundred in kindergarten programs and grades one through eight or grades nine through twelve.

(b) Contains at least one school which is fewer than thirty miles by the most reasonable route from another school which teaches one or more of the same grades and is operated by another school district in this state.

(c) Is designated as a small school district by the superintendent of public instruction.

26. "Transportation revenue control limit" means the transportation revenue control limit computed as prescribed in section 15-946.

27. "Transportation support level" means the support level for pupil transportation operating expenses as provided in section 15-945.

28. "VI" means programs for pupils with visual impairments.

29. "Voc. Ed." means vocational and technological education programs, as defined in section 15-781, except that for the purpose of computing the district support level as provided in this title vocational and technological education programs only include approved vocational and technological programs for students in grades nine through twelve.

Sec. 4. Section 15-943, Arizona Revised Statutes, is amended to read:

15-943. Base support level

The base support level for each school district shall be computed as follows:

1. The following support level weights shall be used in paragraph 2, subdivision (a) for the following school districts:

(a) For school districts whose student count in kindergarten programs and grades one through eight is classified in column 1 of this subdivision, the support level weight for kindergarten programs and grades one through eight is the corresponding support level weight prescribed in column 2 or 3 of this subdivision, whichever is appropriate:

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
	Support Level Weight For Small Isolated School Districts	Support Level Weight For Small School Districts
Student Count		
1-99	1.559	1.399
100-499	$1.358 + [0.0005 \times (500 - \text{student count})]$	$1.278 + [0.0003 \times (500 - \text{student count})]$
500-599	$1.158 + [0.002 \times (600 - \text{student count})]$	$1.158 + [0.0012 \times (600 - \text{student count})]$

(b) For school districts whose student count in grades nine through twelve is classified in column 1 of this subdivision, the support level weight for grades nine through twelve is the corresponding support level weight prescribed in column 2 or 3 of this subdivision, whichever is appropriate:

1	<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
2		Support Level Weight	Support Level Weight
3		For Small Isolated	For Small
4	<u>Student Count</u>	<u>School Districts</u>	<u>School Districts</u>
5	1-99	1.669	1.559
6	100-499	$1.468 + [0.0005 \times (500$	$1.398 + [0.0004 \times (500$
7		$- \text{student count})]$	$- \text{student count})]$
8	500-599	$1.268 + [0.002 \times (600$	$1.268 + [0.0013 \times (600$
9		$- \text{student count})]$	$- \text{student count})]$

10 2. Subject to paragraph 1, determine the weighted student count as
11 follows:

12	(a)							
13				Support				Weighted
14				Level	Student			Student
15	<u>Grade Base</u>	<u>Group A</u>		<u>Weight</u>	<u>Count</u>			<u>Count</u>
16	PSD 1.000 +	0.450 =	1.450	X		=		
17	K-8 1.000 +	0.158 =	1.158	X		=		
18	9-12 1.163 +	0.105 =	1.268	X		=		
19					Subtotal	A		

20	(b)							
21	<u>Funding</u>	<u>Support Level</u>	<u>Student</u>			<u>Weighted</u>		
22	<u>Category</u>	<u>Weight</u>	<u>Count</u>			<u>Student Count</u>		
23	HI	3.341 4.771 x		=				
24	K-3	0.060 x		=				
25	LEP	0.060 x		=				
26	MD-R, A-R and							
27	SMR-R	4.235 6.024 x		=				
28	MD-SC, A-SC and							
29	SMR-SC	5.015 5.833 x		=				
30	MD-SSI	6.025 6.531 x		=				
31	OI-R	3.868 3.158 x		=				
32	OI-SC	5.641 5.576 x		=				
33	P-SD	4.979 3.595 x		=				
34	ED, MIMR, SLD,							
35	SLI and OHI	0.003 x		=				
36	ED-P	4.127 4.647 x		=				
37	MOMR	4.244 4.421 x		=				
38	VI	4.832 4.806 x		=				
39			Subtotal	B				

40 (c) Total of subtotals A and B:

41 3. Multiply the total determined in paragraph 2 by the base level.

42 4. Multiply the teacher experience index of the district or 1.00,
43 whichever is greater, by the product obtained in paragraph 3.

1 Sec. 5. State treasurer; school facilities transfer

2 Notwithstanding section 15-2002, subsection A, paragraph 10, Arizona
3 Revised Statutes, or any other law, the state treasurer shall disregard any
4 instructions of the school facilities board relating to the deficiencies
5 correction fund transfers for fiscal year 2001-2002 and fiscal year 2002-2003
6 and instead shall not make any transfer in fiscal year 2001-2002 and shall
7 transfer only the sum of \$12,000,000 in fiscal year 2002-2003 from
8 transaction privilege revenues to the deficiencies correction fund
9 established by section 15-2021, Arizona Revised Statutes.

10 Sec. 6. Board of regents; authorization for acquisition of
11 projects and issuance of bonds

12 A. The Arizona board of regents may acquire for and on behalf of
13 northern Arizona university one or more of the projects defined in section
14 15-1681, Arizona Revised Statutes, and may issue revenue bonds for this
15 purpose subject to subsections B and C of this section, in one or more series
16 but not exceeding in the aggregate \$39,100,000 more than any remaining
17 bonding authority of northern Arizona university.

18 B. Before the issuance of revenue bonds pursuant to this section, the
19 Arizona board of regents shall provide a comprehensive multiyear bonding plan
20 to the joint committee on capital review and to the governor. The joint
21 committee on capital review shall review the multiyear bonding plan and any
22 revisions that are submitted by the board of regents and shall solicit
23 comment on the bonding plan from the governor's office. Revenue bonds shall
24 not be issued for a project that does not appear in the multiyear bonding
25 plan. The multiyear bonding plan shall include the following:

26 1. A description of the specific projects that will be financed with
27 the revenue bonds.

28 2. An identification of the source of monies that will be used to
29 repay the bonds for each project.

30 3. An estimate of the cost to service the debt for each project.

31 C. The Arizona board of regents shall not issue revenue bonds pursuant
32 to this section for any project unless the project is included in the
33 multiyear bonding plan required by subsection B of this section and the
34 project is subsequently approved by the joint committee on capital review.

35 Sec. 7. Reduction of kindergarten and first grade average daily
36 membership counts; early kindergarten and early first
37 grade programs; definitions

38 A. Notwithstanding any other law, the department of education may
39 reduce the average daily membership count of a school district or charter
40 school for the 2000-2001 school year in order to eliminate pupils enrolled
41 in early kindergarten or early first grade programs during the 1999-2000 or
42 2000-2001 school years, but may not reduce the average daily membership count
43 of a school district or charter school in order to eliminate pupils enrolled
44 in early kindergarten or early first grade programs during school years prior
45 to the 1999-2000 school year.

1 B. For the purposes of this section:

2 1. "Early first grade program" means a first grade program that was
3 designed to prepare children for first grade and was not designed, based on
4 state standards and district curriculum, to prepare children to advance to
5 the second grade after completing the program.

6 2. "Early kindergarten program" means a kindergarten program that was
7 designed to prepare children for kindergarten and was not designed, based on
8 state standards and district curriculum, to prepare children to advance to
9 the first grade after completing the program.

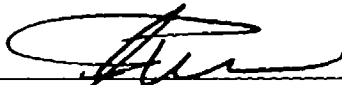
APPROVED BY THE GOVERNOR APRIL 24, 2001.

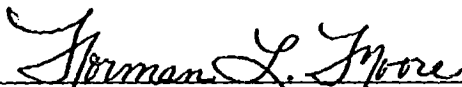
FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 24, 2001.

Passed the House April 11, 2001

by the following vote: 51 Ayes,

5 Nays, 4 Not Voting



Speaker of the House



Chief Clerk of the House

Passed the Senate April 12, 2001

by the following vote: 24 Ayes,

6 Nays, 0 Not Voting


President of the Senate

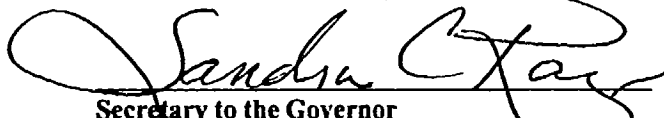

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

18 day of April, 2001.

at 9:44 o'clock A M.


Secretary to the Governor

Approved this 24 day of

April, 2001,

at 3:08 o'clock P M.

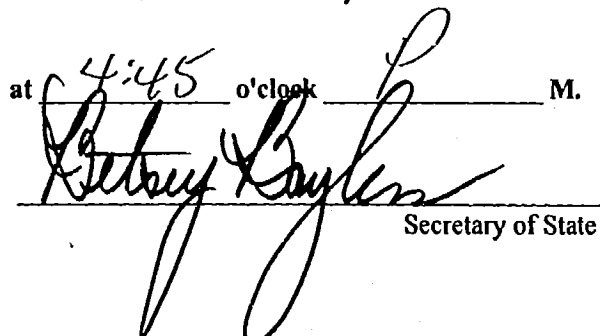

Governor of Arizona

H.B. 2634

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State
this 24 day of April, 2001,

at 4:45 o'clock P M.


Secretary of State